

Highlights

Revenues:

Listed below is a summary chart of the major General Fund revenue estimates.

	Major General Fund Revenues			
	2011-12 Actual	2012-13 Budget	2013-14 Adopted	2014-15 Projected
Property Tax	143,678,532	145,435,500	148,542,442	152,669,400
Sales Tax	38,817,144	38,742,795	38,881,215	39,998,245
State Collected Local Revenues	19,343,489	20,231,658	20,529,408	20,989,623
ABC Profit Distribution	2,923,942	3,000,000	3,162,300	3,225,500
Building Permit Revenue	1,944,066	2,040,000	1,990,690	2,036,560
All Other	33,366,360	34,032,390	29,704,376	29,925,355
Transfers from Other Funds	8,060,322	6,619,178	6,786,998	6,786,998
Appropriated Fund Balance	5,565,778	6,602,280	3,881,894	4,660,051
Total	253,699,633	256,703,801	253,479,323	260,291,732

Property Tax

The Adopted FY 13-14 General Fund Budget is balanced with a 58.72 cent tax rate, 0.25 cent below than the adopted rate for FY 12-13. The one-quarter cent reduction is necessary to allow for the Economic Development Fund portion of the tax rate to increase from 0.25 to 0.50 cent while keeping the overall tax rate steady at 63.25 cents.

Tax base growth is projected at 1.0% for FY 13-14, based on projections provided by the Guilford County Tax Department. Some additional property tax revenue is programmed for FY 13-14 as the state of North Carolina's new Statewide Motor Vehicle Registration and Tax Collection System ("Tags & Tax Together") goes into effect, which will result in some billing overlap with the old system plus improved collection rates on property taxes owed on vehicles. For the 14-15 planning year, valuation growth is projected at 1.5%.

The second year General Fund budget is balanced with a 60.25 cent tax rate, the equivalent of roughly a one and one-half cents rate increase over the adopted rate for FY 13-14.

Sales Tax

Budgeted sales tax revenue, including revenue from the rental vehicle gross receipts, shows very little growth from current year to FY 13-14. The projected revenue for year one is about 2.8% higher than the revised estimate for the current year.

State Collected Local Revenues/Cable Access

State collected local revenues include Utility and Franchise Taxes and Beer and Wine Taxes. These are traditional local government revenues which the State of North Carolina collects for local governments. The FY 13-14 budget figure shows



a \$300,000 increase over the current year budget, or about 1.5%.

Electric Utility Franchise Tax proceeds have been strong during FY 12-13. The revised estimate for the year of \$9.6 million would be well above the budgeted figure of \$9.1 million. For FY 13-14, this revenue is projected at \$10 million, or 3.0% higher than current year estimates.

Effective January 1, 2007, the State eliminated local franchising authority on cable services and repealed local franchise taxes, replacing them with a state sales tax. Local governments will receive a share of the state sales tax on video programming, telecommunications and satellite television services. As these revenues are now considered to be state shared revenues, they are captured in the State Collected Local Revenue category. These revenues have lagged during FY 12-13, with revised estimates for the year totaling \$3.06 million, which would be below FY 11-12 actual revenue of \$3.13 million. For FY 13-14, virtually no growth is projected for this set of revenues, with the budget set at \$3.08 million.

ABC Profit Distribution

The Greensboro ABC Board distributes its net profits (after deducting amounts required for law enforcement, education and working capital) as follows: 91.75% is distributed to Greensboro with the remaining 8.25% distributed among Guilford County and municipalities without ABC outlets. Revenues of \$3.16 million are estimated for FY 13-14, which is about 2.0% higher than the current year estimate.

Building Development Fees

Building development fee revenue is budgeted at \$2.0 million, roughly equivalent to the current year budget. Permit revenue for the current year is estimated at \$1.94 million, about the same amount recorded in FY 12-13. Revenue projections for building permit revenue will continue to be conservative into the future until and unless consistent revenue growth is experienced in multiple years.

Other Revenues

Other revenues in the General Fund include departmental charges, user fees, fines, licenses and other miscellaneous revenues. These revenues are estimated at \$29.7 million, over \$4 million below the current year budget. The primary driver of this reduction is a change to accounting procedures for off-duty Police employment. Revenue and expenditures associated with this activity will no longer be recorded in the City's accounting system, reducing revenues by \$2.57 million (with a corresponding reduction on the expenditure side).

The City's contract with Guilford County for operating both Bur-Mil Park and Hagan-Stone Park ended as of January 1 2013. The full reduction of both revenue and expenditures are experienced in the FY 13-14 budget, with revenues reduced by \$778,000.

The contribution from Guilford County for library support is budgeted at \$1,356,000, the same amount as received for FY 12-13.

Transfers from Other Funds

The General Fund typically receives transfers from Special Revenue Funds which have been established to account for specific revenue sources received by the City. The transfer from the State Highway Gasoline Tax Fund (Powell Bill) is budgeted at \$5.85 million to offset a variety of eligible transportation expenses budgeted in the General Fund. The General Fund will also receive a contribution from the Parking Operations Fund (\$220,998) to help balance the FY 13-14 budget.

Fund Balance

The fund balance appropriation for the FY 13-14 Budget is \$3.88 million, or 1.54%, of the total budget. This does not include additional fund balance appropriations that will be necessary to carry forward outstanding purchase orders at the end of FY 12-13.